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Subject: Comment on the Proposed Renewable Portfolio Standard

I am pleased that the Governor has issued his Proposed Renewable Portfolio. It is an important step to fostering cleaner air, new jobs and further investment in Illinois. However, I also believe that the Governor and all elected officials need to expand the discussion so those benefits could be reached more quickly and with a greater impact.

**DECENTRALIZE THE REQUIREMENT**

The proposal recommends “that by 2006 at least 2% of the electricity to be sold to Illinois customers by electric utility and alternative retail electric suppliers be generated from renewable energy.” This focus on existing electric utilities needs to be expanded to include the users themselves, relying on decentralized sources of energy.

An article endorsing efforts to “get off the grid” appeared today in the Chicago Tribune (Business Section, Front Page). With this decentralization, allowing the user to help the utilities meet the goal, the State would encourage the implementation of renewable fuel technologies specifically by not requiring the energy generated to enter the already overburdened electricity grid.

This model has been applied in cases such as the following example. If an industrial energy consumer were to install photovoltaic cells on the roof of one of its buildings, it could utilize the energy internally to run its boiler system, its hot water heater or even fulfill its refrigeration requirements. By allowing the user to make its own choice the State will offer the flexibility of smaller renewable fuel systems. Further, the user will help the utility, and the State, meet its goal by reducing its energy demand on the utility.

The industrial user is most likely to follow procurement patterns that meet the stated goals. It is in their best interest to utilize “a competitive approach to renewable energy procurement.” This allows Illinois businesses to become more competitive.

**EXPAND THE DISCUSSION OF ALLOWABLE TECHNOLOGIES**

In his cover letter, the Governor refers to wind power. Naturally, most subsequent discussions of renewable fuel technologies focus on wind. But wind power is not a panacea. There are other passive, environmentally sensitive thermal technologies (NOT

incineration) that provide energy from readily available renewable fuel sources. These passive technologies include solar thermal and gasification.

Gasification is an environmentally sensitive, surprisingly gentle thermal treatment method that will allow even the smallest industrial users to reduce their demand for fossil, coal or nuclear fueled energy. The environmental benefits of gasification technologies are becoming widely recognized and adopted by state and local governments throughout the country.

As in states such as California and New York, gasification helps address another environmental issue facing Illinois. The amount of municipal solid waste generated is rising each year. According to the IEPA's latest *Nonhazardous Solid Waste Management and Landfill Capacity in Illinois* annual report, promulgated in November, 2004, the bulk (55%) of that municipal solid waste is sent to a landfill. Additionally, another 15% of the waste was incinerated.

"In 2003, Illinois landfills accepted more than 57 million gate cubic yards of solid waste." If even 10% of that tonnage were turned to energy, consider how much energy is being buried. If you consider that gasification converts approximately one ton of waste to generate the energy equivalent of one barrel of oil, imagine how dramatically gasification can reduce reliance on fossil fuels. At the same time, consider that gasification would generate that energy at a lower cost and with much lower emissions.

Again, the citizens of Illinois show strong support for your effort to increase the use of renewable energy. With the slight modifications I have suggested, you will offer additional environmental and financial benefits to all Illinois citizens.

Sincerely,

George H. Olsen